

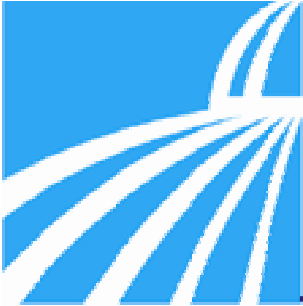
# MENTAL HEALTH PARITY STATE INITIATIVES

## Session 3

### Tuesday, May 17, 2005

### 10:30 – 12:00 pm

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California Hospital Association  
[skruckenberg@calhealth.org](mailto:skruckenberg@calhealth.org)



# Mental Health Parity – State Initiatives

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Existing law:

Knox-Keene Health Care Service Plan Act of 1975

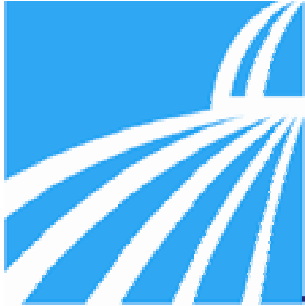
<http://www.dmhc.ca.gov/library/regulations/>

- Provides for the licensing and regulation of health care service plans by the Department of Managed Health Care (DMHC)

<http://www.dmhc.ca.gov/>

- Provides for the licensure and regulation of health insurers by the Department of Insurance (DOI)

<http://www.insurance.ca.gov/>



# Mental Health Parity – State Initiatives

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*Under existing law, a plan and a health insurer are required to provide coverage for the diagnosis and medically necessary treatment of severe mental illness.*

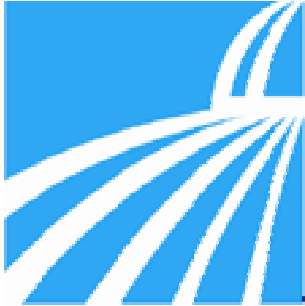
- Health Plans

Health and Safety Code section 1374.72

- Health Insurers

Insurance Code section 10144.5

Both sets of laws can be found at **<http://www.leginfo.ca.gov/calaw.html>**



# Mental Health Parity – State Initiatives

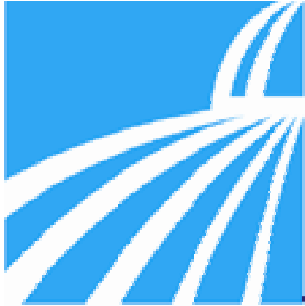
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## **AB 88 and California Code of Regulations Title 28, Section 1300.74.72 - Mental Health Parity**

- AB 88 effective July 1, 2000 established provisions for the administration of mental health parity.
- DMHC adopted regulations effective October 23, 2003 that implemented certain statutory requirements for coverage of mental illness.

These regulations can be found at

**<http://ccr.oal.ca.gov/>**



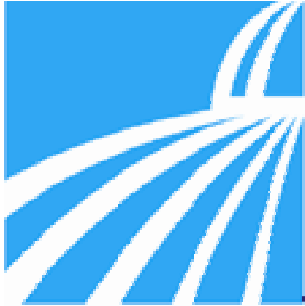
# Mental Health Parity – State Initiatives

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These regulations required the following:

- A referral system that provided
  - timely access
  - ready referral
  - in a manner consistent with good professional practice

These regulations however, did not define the terms “timely access” or “ready referral”

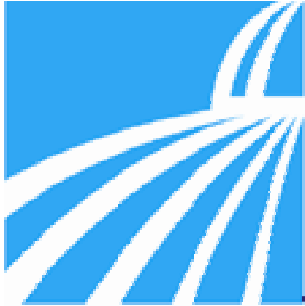


## Mental Health Parity – State Initiatives

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### **What has happened since then?**

- DMHC released for public comment “access regulations” in mid 2004.
- The regulations were expected to accomplish the following:

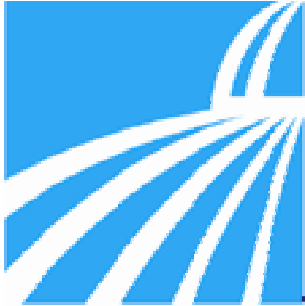


## Mental Health Parity – State Initiatives

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### **Title 28, section 1300.67.2**

- Establishes that facilities providing plan health care services by a primary care physician, inpatient and other health care services be within reasonable proximity of the business or personal residences of the enrollees.
- Establishes the ratio of enrollees to staff, including health professionals, administrative staff and other supporting staff to assure that all services offered by the plan will be accessible to enrollees on an appropriate basis without delays detrimental to the health of enrollees.



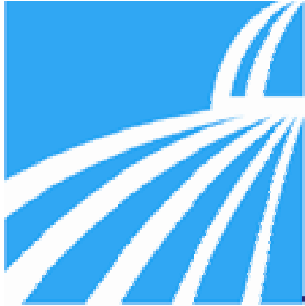
# Mental Health Parity – State Initiatives

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## **Title 28, section 1300.67.2.2**

- Establishes appointment standards for plans covering hospital and physician services, ensuring that non-emergency physician appointments for enrollees are offered or arranged.
- Establishes reasonable and effective mechanisms to monitor provider compliance with the access standards.



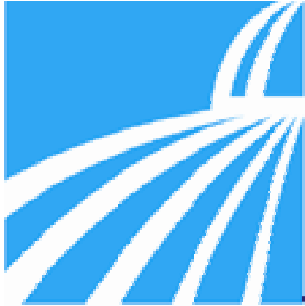


# Mental Health Parity – State Initiatives

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## **Title 28, section 1300.67.2.3**

- Requires plans monitor enrollee satisfaction with accessibility to health care services by conducting an annual consumer assessment.
- Plans must monitor their performance in comparison with: the prior year, the average performance of the plans as published in the annual HMO Report Card distributed by the Office of Patient Advocate and the plan's performance goal.
- Plans must adopt a corrective action plan to improve performance if plan performance falls below the target level of 10% or more.



## Mental Health Parity – State Initiatives

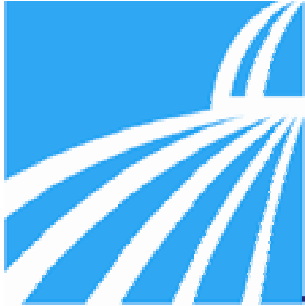
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The California Coalition for Mental Health submitted extensive comments to DMHC during the public comment period (see handout material dated October 18, 2004).

**These efforts were and continue to be focused on the fact that without access you cannot have parity!**

***ACCESS = PARITY***

***PARITY = ACCESS***

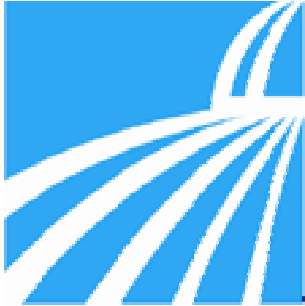


# Mental Health Parity – State Initiatives

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**After three attempts the DMHC pulled the proposed access regulations.**

“Notice is hereby given pursuant to Government Code section 11347 that the California Department of Managed Health Care (the “Department”) has decided not to proceed with the adoption of the proposed amendment of Title 28, California Code of Regulations Section 1300.67.2 and addition of Title 28, California Code of Regulations Sections 1300.67.2.2 and 1300.67.2.3 regarding Access to Needed Health Care Services – Notice File Z04-0628-01 - published in the California Regulatory Notice Register on July 9, 2004. At a later date, the Department will initiate, with the required notice, a new proposal to adopt and amend regulations pertaining to the same subject matter.”



# Mental Health Parity – State Initiatives

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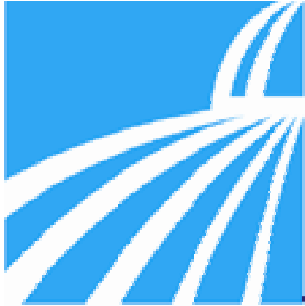
## OTHER PARITY ACTIVITIES

- Department of Mental Health (DMH)

Parity Report – As of April 1, 2005 to Health and Human Services for review prior to public release

- California State Legislature

Senate Bill 572 (Perata) – This proposed legislation would expand the types of mental disorders covered under parity law. This bill is expected to be a two year bill and is not expected to go to the Governors desk for signature until 2006.



# Mental Health Parity – State Initiatives

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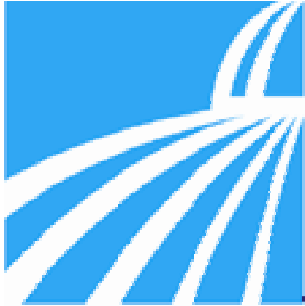
## **The Substance Abuse and Mental Health Services Administration (SAMHSA) and Mathematica Policy Research, Inc. (MPR)**

SAMHSA has contracted with MPR to evaluate the effectiveness of California's mental health parity law.

The goal of the evaluation is to provide policymakers, researchers, and advocates with important insights into the outcomes of parity, including the consequences of restricting parity to a list of diagnoses.

The evaluation design consists of two main components:

- 1) a case study of the implementation of California's mental health parity law and
- 2) focus groups of mental health providers and consumers in selected California communities.



# Mental Health Parity – State Initiatives

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## **DEPARTMENT OF MANAGED HEALTH CARE**

- Has held and continues to hold ongoing meetings with mental health stakeholder organizations
- Has developed a “Technical Assistance Guide” for the focused review of parity act compliance of full service plans (March 31, 2005)
- Coordinated the presentation of a parity update to the DMHC Clinical Advisory Panel.